

Memorandum

Date: October 1, 2001

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To : Arthur H. Rosenfeld, Presiding Member
Michal C. Moore, Associate Member

From : California Energy Commission - Lance Shaw
1516 Ninth Street Energy Commission Project Manager
Sacramento, CA 95814-5512

Subject : RIO LINDA/ELVERTA POWER PROJECT (01-AFC-1)
STATUS REPORT #4

Data Request and Issues Workshop (Scheduled for September 11 and 12, 2001)

Staff conducted its second Data Request/ Issues resolution workshop on September 12, 2001. The workshop had been scheduled for both September 11 and 12. However, due to the terrorist incidents of September 11, the workshop was conducted in total on September 12. As a result of the applicant's announcement of significant project changes during the workshop, staff's counsel, Caryn Holmes filed an Addendum to Staff's Response to Applicant's Proposed Revision to Committee Scheduling Order (July 27, 2001). It aptly summarizes much of the workshop and it is attached.

Progress on Significant Issues

Land Use: On October 3, 2001, the Sacramento County Board of Supervisors will continue the public hearing regarding the proposed Rio Linda/Elverta power plant's consistency with the Rio Linda/Elverta Community Plan, the Sacramento County General Plan and the County's zoning designation on the proposed project site. This item was continued by the Board of Supervisors on August 29, 2001 after an approximate 3.5-hour public hearing.

In following up a request made by the Sacramento County Board of Supervisors during the August 29 meeting, CEC staff met with Sacramento County planning staff to clarify what CEC staff would like from the County to prepare its land use analysis. The meeting held at the CEC on September 10, 2001 included a representative from the Sacramento County Board of Supervisors District 1 office and members of the Rio Linda Citizens Planning Advisory Council (CPAC). The topics discussed at the meeting included the existing zoning agreement on the property and whether the County needed to modify or rescind the agreement.

Noise: On September 10, 2001, the applicant filed an objection to some of staff's second round data requests. Among the applicant's objections were several noise data requests. Staff counsel Caryn Holmes filed a Motion to Compel on September 26, 2001. The Motion states the importance of the applicant's responses to staff's data requests.

Public Comments from the Workshop

During the workshop the applicant stated that at this time it is pursuing an agreement with a local farmer to utilize water from eight wells located on his property. The farmer would have to fallow the land on which the wells are located in order for there to be no net increase to the amount of water pumped from the basin according to the applicant.

The public expressed concern over the water supply changes to the project described by the applicant. Staff shares these concerns and needs to examine supplemental information before moving forward on analysis.

Schedule

On September 20, 2001, the Committee suspended scheduling on the project. The Applicant may petition the Committee to issue a revised or interim scheduling order at any time after providing Staff with the following information:

1. Complete answers to Staff's unobjectionable second round of data requests, issued on August 8, 2001; and
2. An AFC Supplement; and
3. A Preliminary Determination of Compliance (PDOC) from the Sacramento Municipal Air Quality Management District (SMAQMD).

STATE OF CALIFORNIA
Energy Resources Conservation
and Development Commission

In the Matter of:)	Docket No. 01-AFC-1
)	
Application for Certification for the)	Addendum to Staff's Response to
FPL Energy Sacramento Power , LLC)	Applicant's Proposed Revision to
RIO LINDA/ELVERTA POWER)	Committee Scheduling Order
<u>Project (RLEPP)</u>)	(July 27, 2001)

On August 3, 2001, the applicant for the Rio Linda/Elverta Power Project (project), FPL Energy Sacramento Power, LLC (the applicant), filed a request with the Presiding Committee to revise the Committee schedule issued June 4, 2001. The applicant indicated that it will file a supplement to its Application for Certification (AFC) by October 1, 2001. Potential changes include modifications to address 1) visible plumes, 2) turbine hall design, 3) noise concerns, and 4) water supply. The applicant proposed that staff issue its PSA 60 days after submittal of the AFC supplement and that the Prehearing conference be moved to mid-January. On August 18, 2001 staff filed a response to the applicant's proposal, and the Presiding Committee held a status conference on September 7. At the status conference, the Committee indicated that it would issue a scheduling order within ten days. This Addendum to our initial response provides information that the Committee should consider in finalizing that schedule. Yesterday, staff conducted a workshop on the project at which the applicant provided

additional information about the scope of its proposed changes to the project.

Specifically, the applicant indicated that the October 1 submittal would identify a new transmission interconnection at the Elverta substation. Perhaps more significantly, the applicant presented a verbal outline of its new proposed water supply. As staff understands it, the applicant now proposes to enter into a contractual arrangement with a nearby property owner under which the property owner would agree to fallow 540 acres currently under agricultural production. The water currently used on that property would be piped to the project site. The water from this property will be combined with that currently pumped for agricultural purposes at the 90-acre proposed plant site to meet the water requirements of the project following a total of 630 acres of prime agricultural land. , FPL proposes to abandon the existing on site well and construct a new on-site well. When water from the 540-acre site is disrupted, the on site well will provide all water required by the project. Due to the preliminary nature of the applicant's proposal, many details critical for determining the appropriate scope of analysis are unavailable.

Based on the proposed water supply identified in the AFC, staff began several months ago to conduct an analysis (including construction of groundwater models) that would evaluate direct, indirect and cumulative impacts of the project. Staff asked a first round of data requests to facilitate that exercise, and when incomplete or non-responsive answers were received, refined and reworded its requests and included them in a second round of data requests. At the workshop, however, it became clear that there was little use in the applicant's answers to those requests, because the

questions were predicated on a water supply that is no longer being proposed. And, due to the lack of detail about the proposal, we were similarly unable to identify which outstanding data requests would still be relevant or need to be modified. As a result, staff stated that it would formally withdraw all of the water data requests and re-issue appropriate questions once the supplement is filed and reviewed. Staff believes it is critical that the Committee understands that we will not know either the extent to which work already completed must be redone or the scope of additional discovery that will be required until the actual water supply proposal is submitted. Therefore, we strongly encourage the Committee to adopt a schedule consistent with the prior rescinded Committee schedule that recognizes the magnitude of the proposed change in water supply and provides staff ample opportunity to conduct discovery on the proposal.

Date: September 14, 2001

Respectfully submitted,

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cc: Rio Linda/Elverta Power Project Proof of Service list